

## Message Text

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ACTION EB-11

INFO OCT-01 EUR-25 NEA-10 ISO-00 INT-08 SCEM-02 SCI-06

CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03 NSAE-00 NSC-10

PA-04 RSC-01 PRS-01 SPC-03 SS-20 USIA-15 ACDA-19

IO-14 AID-20 COME-00 FRB-02 TRSE-00 XMB-07 OPIC-12

CIEP-02 LAB-06 SIL-01 OMB-01 STR-08 DOTE-00 DRC-01

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FM AMEMBASSY ROME

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INFO USMISSION OECD PARIS

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E.O. 11652: N/A

TAGS: ENRG, IT, IZ

SUBJECT: ITALY-IRAQ OIL PIPELINE AGREEMENT

1. ENI, ITALIAN NATIONAL HYDROCARBON AUTHORITY, SIGNED AGREEMENT IN BAGHDAD OCTOBER 19 WITH IRAQI NATIONAL OIL COMPANY (INOC) FOR CONSTRUCTION OF A 655 KILOMETER OIL PIPELINE FROM NORTHERN RUMAILA TO KIRKUK FIELD TO JOIN WITH THE ALREADY EXISTING PIPELINE NETWORK TO EASTERN MEDITERRANEAN PORTS. COST OF PROJECT REPORTED TO BE \$146 MILLION, EXCLUDING PIPE WHICH TO BE SUPPLIED BY INOC. INDUSTRY SOURCES, HOWEVER, EXPECT THAT PIPE WILL ACTUALLY BE PURCHASED IN ITALY.

2. CONSTRUCTION TO BEGIN IN SPRING 1974 AND SCHEDULED TO TAKE ABOUT TWO YEARS. PROJECT TO CONSIST OF TWO PARALLEL PIPELINES, ONE 42 INCH DIAMETER AND THE OTHER 18 INCH. SAIPEM, ENI'S DRILLING AND PIPELINE CONSTRUCTION SUBSIDIARY, TO CONSTRUCT THE LARGE PIPELINE,  
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AND MONTUBI, OF FINSIDER (STATE HOLDING COMPANY IN IRON AND STEEL

SECTOR), THE SMALLER LINE. SUPERVISORY RESPONSIBILITY FOR THE OVERALL PROJECT WILL BE IN THE HANDS OF SNAM PROGETTI, ENI'S ENGINEERING AND SERVICES DIVISION.

3. PROJECT FALLS WITHIN FRAMEWORK OF ENI-INOC LONG TERM BARTER AGREEMENT OF MARCH 1972 (ROME 1505 NOTAL) WHEREBY ENI UNDERTOOK TO PURCHASE 20 MILLION TONS OF CRUDE OIL OVER A 10 YEAR PERIOD IN RETURN FOR SUPPLY OF EQUIPMENT AND TECHNICAL ASSISTANCE. WHEREAS ENI REPORTEDLY BEGAN TAKING INOC OIL EARLY THIS YEAR, IRAQI COUNTERPART ORDERS FOR ITALIAN GOODS AND SERVICES HAD BEEN SLOW IN MATERIALIZING. ENI SPOKESMAN COMMENTED TO EMBOFF THAT PIPELINE CONTRACT CLEARLY A "WINDFALL" FROM 1972 AGREEMENT. VOLPE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGREEMENTS, PETROLEUM PIPELINES, CONTRACTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 OCT 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973ROME11901  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** ROME  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1973/newtext/t1973104/aaaaacwl.tel  
**Line Count:** 73  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 17 SEP 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <17-Sep-2001 by kelleyw0>; APPROVED <21-Nov-2001 by golinofr>  
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**Review Transfer Date:**  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ITALY-IRAQ OIL PIPELINE AGREEMENT  
**TAGS:** ENRG, IT, IZ, SAIPEM, MONTUBI  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005